

OFFICIAL FILE
ILLINOIS COMMERCE COMMISSION

Pannon Telecom, Inc.
Application for a Certificate of
Interexchange Authority
to Operate as a Reseller of
Telecommunications Services
in the Entire State of Illinois

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Docket No.

ORIGINAL

04-0431

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**APPLICATION FOR CERTIFICATE TO BECOME A
TELECOMMUNICATIONS CARRIER**

GENERAL

1. Applicants Name (including d/b/a, if any)

Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
FEIN # 95-4708381

2. Authority Requested: (Mark all that apply)

- ☐ 13-403 Facilities-Based Interexchange
☒ 13-404 Resale of Local and/or Interexchange
☐ 13-405 Facilities-Based Local

3. Request for waivers/variances:

In applications for local exchange service authority under Sections 13-404 or 13-405, waivers of Part 710 and of Section 735.180 of Part 735 are generally requested. In applications for interexchange service authority under Sections 13-403 and 13-404, waivers of Part 710 and Part 735 are generally requested. Please indicate which waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance.

- ☒ Part 710 Uniform System of Accounts for Telecommunications Carriers
☐ Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone directories for Local Exchange Telecommunications Carriers in the State of Illinois
☐ Section 735.180 Directories
☒ Other 83 Ill Adm. Code Part 250 (keeping administrative books in Illinois)

Applicant seeks a waiver of Part 710 Uniform System of Accounts ("USOA") for Telecommunications Carriers because Applicant currently maintains a single set of its books and records according to the Generally Accepted Accounting Principles ("GAAP"). Accordingly, Applicant requests the waiver to avoid the burdens associated with maintaining two sets of books. USOA was designed for an older form of rate base regulation that has little value in the current telecommunications environment. Moreover, for companies other than ILECs, GAAP is the standard accounting method and one which provides sufficient detail for easy comparison between telecommunications companies. Applicant understands that a waiver of this requirement will not excuse it from compliance with future Commission rules or amendment of Part 710 that are otherwise applicable to the Applicant.

Applicant also seeks a waiver of ILL ADMIN CODE title 83 Section 250.10, which requires public utilities to keep books, accounts, records and memoranda within the State of Illinois. Applicant maintains its books and records at its offices in California. Should it be necessary for the Commission to have access to those books and records, Applicant will facilitate such access expeditiously and at its own expense.

4. For all applicants requesting local exchange authority under Section 13-404 or Section 13-405, please complete the following:

- (a) the Standard Questions for Applicants Seeking Local Exchange Service Authority found in Appendix A of this document
- (b) the 9-1-1 Questions for Applicants Seeking Local Exchange Service Authority found in Appendix B of this document;
- (c) the Financial Questions for Applicants Seeking Local Exchange Service Authority found in Appendix C of this document; and
- (d) if applicable, the Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority found in Appendix D of this document.

Not Applicable. Pannon Telecom, Inc. ("Pannon") does not offer local exchange services.

5. In what area of the state does the Applicant propose to provide service?

Pannon Telecom, Inc. proposes to offer its services statewide throughout Illinois.

6. Please attach a sheet designating contact persons to work with Staff on the following:

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number, and (vi) e-mail address.

- (a) **issues related to processing this application**
Robin Norton, Consultant to Pannon Telecom, Inc.
Technologies Management, Inc.
210 N. Park Avenue
Winter Park, Florida 32789
Phone: 407-740-8575
Fax: 407-740-0613
E-Mail: rnorton@tminc.com

- (b) **consumer issues**
Mr. Steven Pazsitzky, President
Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
E-Mail: steve@pannontel.com

(c) **Customer complaint resolution**
Mr. Steven Pazsitzky, President
Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
E-Mail: steve@pannontel.com

6. **Please attach a sheet designating contact persons to work with Staff on the following:**
(Cont'd.)

(d) **technical and service quality issues**
Mr. Steven Pazsitzky, President
Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
E-Mail: steve@pannontel.com

(e) **"tariff" and pricing issues**
Mr. Steven Pazsitzky, President
Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
E-Mail: steve@pannontel.com

(f) **9-1-1 issues**
Mr. Steven Pazsitzky, President
Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
E-Mail: steve@pannontel.com

(g) **security/law enforcement**
Mr. Steven Pazsitzky, President
Pannon Telecom, Inc.
5308 Derry Avenue, Suite J
Agoura Hills, CA 91301
Phone: 818-597-2338
Fax: 818-874-9472
Toll-Free: 800-331-9166
E-Mail: steve@pannontel.com

7. Please check type of organization?

- | | | |
|--------------------------------------|---|--------------------|
| <input type="checkbox"/> Individual | <input checked="" type="checkbox"/> Corporation | |
| <input type="checkbox"/> Partnership | Date Corporation was formed: | September 29, 1998 |
| | In What State? | California |
| <input type="checkbox"/> Other | | |

8. Submit a copy of articles of incorporation and a copy of certificate of authority to transact business in Illinois.

The Articles of Organization and a copy of Pannon's Secretary of State certificate are attached as Exhibit I.

9. List jurisdictions in which Applicant is offering service(s).

Pannon Telecom, Inc. is offering service in California, Colorado, Florida, Massachusetts, New York, Ohio, Pennsylvania, Texas, and Washington state.

10. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in any jurisdiction in this or another name?

- ☐ Yes (please provide details)
☒ No

11. Have there been any complaints or judgements levied against the Applicant in any other jurisdiction?

- ☐ Yes (please provide details)
☒ No

12. Has Applicant provided service under any other name?

- ☐ Yes (please provide list)
☒ No

13. Will the Applicant keep its books and records in Illinois?

- ☐ Yes
☒ No (if No, permission pursuant to 83 Ill Adm. Code Part 250 needs to be requested.

Please see question No. 3.

MANAGERIAL

14. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in either narrative form, resumes of key personnel, or a combination of these forms.

Please see Exhibit II for the Company's resumes of key personnel.

15. List officers of Applicant.

The following individuals are officers and directors of Pannon Telecom, Inc. and can be reached through the company's offices at 5308 Derry Avenue, Suite J, Agoura Hills, CA 91301

Officers/Directors:

Steven Pazsitzky	President
Livia Lorincz	Secretary

16. Does any officer of Applicant have an ownership or other interest in any other entity that has provided or is currently providing telecommunications services?

- ☐ Yes (is Yes, list entity.)
☒ No

17. How will Applicant bill for its service(s)? (At a minimum, describe how often the Applicant will bill for service and details of the billing statement.)

The Company bills the Customer monthly. The toll free customer service number is on the customer's bill. The customer's bill shows the account name and address, and each page includes the customer's telephone number(s). Each call is itemized showing the destination number and location, date and time the call was placed, as well as the duration of the call and the price.

18. How does Applicant propose to handle service, billing, and repair complaints? (At a minimum, describe Applicant's internal process for complaint resolution, the complaint escalation process, the timeframe and process by which the Customer is notified by Applicant that they may seek assistance from the Commission?)

Pannon's Customer Service Department is staffed Monday through Friday from 8:00AM to 16:30PM Pacific time. The number for after-hours technical service is 888-455-7829. Customers who dial this number are forwarded to the person on-call. Administrative calls are taken only during regular business hours. Trouble calls are answered 24 hours a day, seven days a week, by the person on call.

19. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing?

- ☒ Yes
- ☐ No

20. What telephone number(s) would a Customer use to contact your Company?

Pannon's Customer Services toll-free phone number is 800-331-9166.

21. Will Applicant abide by all Federal and State slamming and cramming laws pursuant to Section 13-902 of the Public Utilities Act and Section 258 of the 1996 Telecommunications Act?

- ☒ Yes
- ☐ No

22. Please describe applicant's procedures to prevent slamming and cramming of Customers?

Pannon does not initiate sales contacts at all, and has no sales representatives. The Company advertises its services in ethnic newspapers, and takes incoming calls from potential customers who have been referred by current customers. As a result, the Company has never had a slamming complaint filed against it with any regulatory commission in any jurisdiction in which it operates.

23. If granted authority to operate as a local exchange carrier, will the applicant abide by the following 83 Illinois Administrative Code Parts: 705, 710, 720, 725, 730, 732, 735, 755, 756, 757, 770, and 772?

- ☐ Yes
- ☐ No (If No, please provide an explanation)
- ☒ Not Applicable. Pannon does not intend to offer local exchange services.

24. Is Applicant aware that it must file tariffs prior to providing service in Illinois?

- ☒ Yes
- ☐ No

FINANCIAL

Please attach evidence of Applicant's financial fitness through the submission of its most current income statement and balance sheet, or other appropriate documentation of applicant's financial resources and ability to provide service.

Please see Exhibit III for the Company's financial information, which has been submitted separately under seal with a request for confidential handling.

26. Does Applicant utilize its own equipment and/or facilities?

- ☐ Yes (if Yes, please list the facilities Applicant intends to utilize. Also include evidence that Applicant possesses the necessary technical resources to deploy and maintain said facilities)
- ☒ No (If No, which facility provider(s) services does the Applicant intend to use:

Pannon currently uses the network of Global Crossing as their underlying carrier.

27. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, data services, local service, prepaid local service).

The Company proposes to offer direct dialed and toll free service to both residential and business Customers originating and terminating within the State of Illinois. Pannon's long distance 1+ operations in Illinois will be provided as a switchless telecommunications reseller. Calls will originate, be switched and terminated over the facilities of other carriers. Pannon currently uses the network of Global Crossing as its underlying carrier.

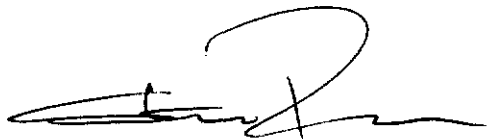
28. Will technical personnel be available at all times to assist Customers with service problems?

- ☒ Yes
- ☐ No

29. If Applicant intends to provide payphone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to:

- (a) touch dialing;
- (b) access to 9-1-1 and "0" operator dialing without use of a coin;
- (c) rules governing use of payphones by disabled persons;
- (d) ability to complete local and long-distance calls;
- (e) unlimited duration for local calls; and
- (f) a message explaining the telephone's general operations, dialing instructions for emergency assistance, payphone owner's name, method of reporting service problems and method of receiving credit for faulty calls?

- ☐ Yes
- ☐ No
- ☒ Not Applicable.



Steven Pazsitzky, President
Pannon Telecom, Inc.

5/26/2004

Date:

VERIFICATION

This application shall be verified under oath.

OATH

STATE OF CALIFORNIA §
 §
COUNTY OF LOS ANGELES §

Steven Pazsitzky, makes oath and says that he is the President of Pannon Telecom, Inc.; that he has examined the foregoing application and that to the best of his knowledge, information, and belief, all statements of fact contained in the said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.



Steven Pazsitzky, President
Pannon Telecom, Inc.

5/26/2004

Date:

Subscribed and sworn before me this 26th day of May 2004.



(NOTARY PUBLIC)

My Commission expires on:

8/31/04

